

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
HEALTH AND RECOVERY SERVICES ADMINISTRATION
Olympia, Washington**

To: Hospice Agencies
Managed Care Organizations

Memorandum No.: 06-93
Issued: December 11, 2006

From: Douglas Porter, Assistant Secretary
Health and Recovery Services
Administration (HRSA)

For information, contact:
800.562.3022 or go to:
<http://maa.dshs.wa.gov/contact/prucontact.asp>

Subject: Hospice Services: Billing Instructions and Fee Schedule Changes

Retroactive to dates of service on and after October 1, 2006, the Health and Recovery Services Administration (HRSA) has implemented:

- A change in payment methodology from Metropolitan Statistical Areas (MSAs) to Core Based Statistical Areas (CBSAs) for hospice services; and
- A one percent (1%) vendor rate increase for Pediatric Palliative Care (PPC).

What has changed?

HRSA has updated the *Hospice Services Billing Instructions* to reflect the new payment methodology described below and the vendor rate change.

In 2006, the Centers for Medicare and Medicaid Services (CMS) changed their payment methodology from Metropolitan Statistical Areas (MSAs) to Core Based Statistical Areas (CBSAs) for Hospice Services. There are some MSAs that have corresponding CBSAs and some MSAs do not have corresponding CBSAs. If there is no corresponding CBSA, the applicable rate will be found under "All Other Areas."

"All Other Areas" covers rates for areas that do not have corresponding CBSA as well as out-of-state and border areas.

Reimbursement for Hospice Services and Pediatric Palliative Care

Hospice rates have been adjusted based upon the new CMS wage index.

Pediatric Palliative Care rates were increased by 1% as appropriated by the legislature.

Billing Instructions Replacement Pages

Attached are updated replacement table of contents, coverage table, and reimbursement for HRSA's current *Hospice Services Billing Instructions*.

How do I access WAMedWeb?

This is a resource for healthcare providers conducting business electronically with Washington State Medicaid. <http://wamedweb.acs-inc.com>

How can I get HRSA's provider documents?

To obtain DSHS/HRSA provider numbered memoranda and billing instruction, go to the DSHS/HRSA website at <http://hrsa.dshs.wa.gov> (click *the Billing Instructions and Numbered Memorandum* link). These may be downloaded and printed.

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Hospice Coverage Table

Allowable Places of Service and Hospice Revenue Codes for Pediatric Palliative Care

The following is a chart explaining where hospice care may be performed:

Place of Service / Client Residence				
Type of Service/Levels of Care	Client's Home (AFH, BH, AL)	Nursing Facility (NF)	Hospital	Hospice Care Center (HCC)
Level 1: Routine Home Care (RHC) (651)	Yes Not in comb w/ any other level of care	Yes Not in comb w/ 656 or 655	No	Yes Not in comb w/656 or 655
Level 2: Continuous Home Care (CHC) (652) Hourly nursing	Yes Not in comb w/ 651, 655, or 656	No	No	No
Level 3: Inpatient Respite (655) Includes R/B	No	Yes For clients not residing in NF Not in comb w/115,125, 135, 656, or 651	Yes Not in comb w/any other code	Yes For clients not residing in HCC Not in comb w/145 or 651
Level 4: General Inpatient Care (GIP) (656) Includes R/B	No	Yes Not in comb w/any other code	Yes Not in comb w/any other code	Yes Not in comb w/any other code
Nursing Facility (NF) R/B (115,125,135)	No	Yes	No	No
Hospice Care Center (HCC) (145) R/B Admin day rate	No	No	No	Yes Not in comb w/ 656 or 655
Pediatric Palliative Care (PPC) (659)	Yes Not for clients in a group home	No	No	No

Hospice Revenue Codes

Enter the following revenue codes and *service descriptions* in the appropriate form locators.

Revenue Code	Description of Code
115	<i>Hospice (Room and Board - Private)</i> Enter the words " Room and Board " in form locator 43. Enter the nursing facility's provider number in form locator 83.
125	<i>Hospice (Room and Board - Semi-Private 2 Bed)</i> Enter the words " Room and Board " in form locator 43. Enter the nursing facility's provider number in form locator 83.
135	<i>Hospice (Room and Board - Semi-Private 3-4 Beds)</i> Enter the words " Room and Board " in form locator 43. Enter the nursing facility's name or provider number in form locator 83 or in the remarks form locator.
145	<i>Hospice Care Center (Hospice Deluxe Room and Board)</i> Enter the words " Room and Board " in form locator 43. Enter the nursing facility's provider number in form locator 83.
651	Level 1: Routine Home Care (Hospice Daily Rate)
652	Level 2: Continuous Home Care
655	Level 3: Inpatient Respite Care
656	Level 4: General Inpatient Care

Note: For limitations, see **Billing** section.

Note: For hospice, you must choose one of four levels of care. Only nursing facility or hospice care center room and board can be billed with level 1. Do not bill other codes with levels 2, 3, or 4. Do not bill any other code with 659.

PPC Revenue Codes

Revenue Code	Description of Code
659	<i>Other Hospice Services</i> (Pediatric Palliative Care (PPC) Case Management/Coordination will be reimbursed according to the fee schedule.) See below for examples of use.
659	PPC - RN
659	PPC - PT
659	PPC - OT
659	PPC - ST
659	PPC - Case Management Time (Bill the date of service each time two-hour time requirement was met.)

Hospice Services Provided *Inside* Client's Home

Revenue Codes		
651, 652, and 659 are paid according to the client's place of residence. Non-CBSA* and out-of-state paid as "All Other Areas."		
Counties	CBSA	Policy/Comments
All Other Areas	50	
Asotin	30300	
Benton	28420	
Chelan	48300	
Clark	38900	
Cowlitz	31020	
Douglas	48300	
Franklin	28420	
Island	50	<u>(Island County is no longer part of King County and is paid at an "All Other Areas" rate.)</u>
King	42644	
Kitsap	14740	
Pierce	45104	
Skagit	34580	
Skamania	38900	
Snohomish	42644	
Spokane	44060	
Thurston	36500	
Whatcom	13380	
Yakima	49420	

* CBSA = Core Based Statistical Area

Hospice Services Provided *Outside* Client's Home

Revenue Codes		
655 and 656 are paid according to the provider's place of business. Non-CBSA and out-of-state paid as "All Other Areas."		
Counties	County Code	Policy/Comments
All Other Areas	50	
Asotin	30300	
Benton	28420	
Chelan	48300	
Clark	38900	
Cowlitz	31020	
Douglas	48300	
Franklin	28420	
Island	50	<u>(Island County is no longer part of King County and is paid at an "All Other Areas" rate.)</u>
King	42644	
Kitsap	14740	
Pierce	45104	
Skagit	34580	
Skamania	38900	
Snohomish	42644	
Spokane	44060	
Thurston	36500	
Whatcom	13380	
Yakima	49420	

* CBSA = Core Based Statistical Area

Note: See **Hospice Reimbursement** section for nursing facility and hospice care center reimbursement information.

Fee Schedule

You may view HRSA's Hospice Services Fee Schedule on-line at
<http://maa.dshs.wa.gov/RBRVS/Index.html>

For a paper copy of the fee schedule:

- **Go to:** <http://www.prt.wa.gov/> (Orders filled daily.) Click on General Store. Follow prompts to Store Lobby → Search by Agency → Department of Social and Health Services → Health and Recovery Services Administration → desired issuance; **or**
- **Fax/Call:** Dept. of Printing/Attn: Fulfillment at FAX 360.586.6361/telephone 360.586.6360. (Orders may take up to 2 weeks to fill.)

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Reimbursement

How does HRSA pay for PPC services?

HRSA pays providers for PPC case management/coordination services per contact using the average of statewide Metropolitan Statistical Area (MSA) home health care rates for skilled nursing, physical therapy, speech-language therapy, and occupational therapy. Revenue code **659** is reimbursed per visit **based upon the fee schedule.**

HRSA makes adjustments to the reimbursement rate for PPC contacts when the legislature grants a **vendor** rate change. New rates become effective as directed by the legislature and are effective until the next rate change. The reimbursement rate for authorized out-of-state PPC services is the same as the in-state, non **CBSA** rate.

Note: PPC rates are paid based on CBSAs. The rate is derived from home health service rates which are still based upon MSAs.

